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# **The Role of Small Convenience Stores in Building Neighbourhood Community**

## **Introduction:**

A long line of debate in the sociological and urban studies literature has argued that cohesion amongst residents is a key ingredient for healthy societies and communities (Hipp & Perrin, 2006). This debate has built on the social capital perspective developed by Putnam (2000) who argues that a sense of cohesion (or 'connectedness') is important for fostering an attachment to a larger community.

However, during the latter part of the 20<sup>th</sup> century, Western societies have witnessed a decline in the public's involvement in the life of their local communities (Putnam et al., 2003). This decline has resulted in communities, particularly urban communities and neighbourhoods, being perceived as less friendly and has impacted on the public's perception of such areas as perhaps unfriendly places to live. Social cohesion and a sense of community spirit is important for maintaining healthy societies; indeed, issues of social cohesion and vitality in local neighbourhoods have long been informing the UK governments' planning and social policies. Within this, the role played by retailers generally has been recognised as a vital element in the physical, social and economic health of local communities (Bennison & Hines, 2003).

This exploratory study uses the social cohesion and community perspectives from the sociological and urban studies literature to investigate the role of small convenience stores in fostering feelings of community spirit, in urban and suburban areas.

Much has been written about the decline in numbers of small retailers (Baron et al, 2001), and the business challenges they face (Dawson & Kirby, 1979).

Smith & Sparks, (2000) examined the role of small independent shops in Scotland, in both urban and rural areas, and have touched briefly on the role of community. Other studies have looked at independent retailers and their role as a social hub in rural areas (e.g. Broadbridge & Calderwood, 2002; Byrom et al, 2003; Paddison & Calderwood, 2007), or the role of the village shop as a community hub (Kirby, 1982) or community retail enterprise (Calderwood & Davies, 2006), whilst Pioch & Schmidt (2004) have undertaken research about community pharmacies as good neighbours. This research builds on the small number of publications related to the social role of small retailers, and seeks to extend current thinking about the role of small shops, specifically convenience food stores, in fostering community spirit in urban and suburban areas of UK towns and cities.

## **Theoretical Framework**

For this study, definitions relating to the concept of neighbourhood community draw upon the social psychology and urban studies literature. Bardo & Dokmeci (1990) tried to determine the constituent parts of community satisfaction, and conclude that the major factors are friendliness, care by the community, belongingness and quality of community life. The concept of 'neighbourhood' also describes a physical place where residents interact with one another, and have ties to an area. Maintaining community is important and has a number of benefits. Firstly, Putnam's comment that "(Socially) connected people live longer, happier lives..." (Putnam, 2000) encapsulates developing interest in the nature and strength of relationships between levels of social capital in society and the health of its citizens and their communities. Secondly, maintaining neighbourliness is beneficial because it can lead to a reduction in crime rate. Criminologists have shown that the crime rate in a neighbourhood is lowered when neighbours know one another well, benefiting even residents who are not themselves involved in neighbourhood activities (Putnam & Feldstein, 2003).

Thirdly, residents' feelings of security about neighbourhoods can be affected. 'In such neighbourhoods, public spaces are cleaner, people are friendlier and streets are safer (Putnam et al., 2003). Indeed now it is widely accepted that the involvement of people in their communities bolsters community spirit.

The term 'small shop' has many meanings, for example, village shop and post office, corner shop, local convenience store, but for the purposes of this study, the small convenience food store is the main focus. Smith & Sparks (2000) define an independent small shop as 'a retail establishment of any form of organisation (but most commonly independently owned), with an annual sales figure of less than approximately £175,000, and having fewer than 10 FTE employees.'

The literature relating to the small shop sector proliferated during the 1980s and 1990s, but tended to emphasise the decline in their numbers over the previous decade (Baron et al, 2001), and the reasons for their decline. Smith & Sparks (2000) investigated the economic and managerial challenges facing independent retailers in Scotland, and touched briefly on their community role; they state that beyond the provision of goods and services, small shops have obvious community-centre roles, as well as being the 'economic glue' for a village or location. The decline of small shops in inner city areas has been documented by Guy & Duckett (2003), whilst Pioch & Schmidt (2004) in their work on community pharmacies in UK and Germany, observed that closures of independent local pharmacies (owing to financial pressures) are a loss to neighbourhoods, not only of health care providers, but also of a vital hub of social exchange. The role of small shops in rural neighbourhoods as a hub of social exchange is well documented. Calderwood & Davies (2006), in their work on community retail enterprises in rural areas, state that such outlets are seen by the community as a means of re-establishing a sense of community, as somewhere to meet and talk. Whilst discussing the social benefits of shopping in general, Dennis et al., (2007) emphasise the role of shops as a meeting place for casual social interaction which includes casual conversation, and planned and unplanned meetings with other people. Paddison & Calderwood, (2007) note that village shopkeepers have proactively taken advantage of the community spirit locally, by initiating community events that are explicitly associated with the store and help to strengthen (social) ties. In so doing, they observe that often such events can help to re-energise the community. Davies' work on Community Retail Enterprises (2010), where the villagers run the local shop, stressed the role of the community shop as a means of re-establishing a sense of community, of somewhere to meet and talk. The same role in urban areas is also necessary. Williams & Hubbard's (2001) work on retail change and social exclusion, observed that car-less inner city residents have been disadvantaged (food-wise) by the tendency of retail multiples to seek locations on the outskirts of major towns; as a consequence, isolated corner shops now provide the only local source of fresh fruit and vegetables. Arguably, this represents an opportunity for the owners of small shops in urban areas to enhance their normal role as shopkeepers, by promoting their shops as a meeting place. In the UK, many of those car-less residents will be retired older people, for whom the visit to the corner-shop may provide one of the few opportunities for social interaction. In rural areas, the role of the village shop as a hub of social interaction is recognised, so can small shops in suburban neighbourhoods provide the same role?

Thus the emerging research objectives are as follows:

To investigate whether owners/managers of convenience stores in suburban areas recognise the existence of community spirit in their local neighbourhoods.

To find out whether those owner/managers are aware of social interaction taking place in their shops, and whether they believe they can benefit from it.

To investigate the link between social interaction and the promotion of community spirit, and to find out what help owner/managers might need to encourage such spirit.

### **Methodology**

In order to address the research objectives, the study adopts an interpretivist approach. As limited research exists on the views of owner/managers of small food retailers about their neighbourhood community role, it was considered important not to embark on the study with pre-conceived assumptions and so an inductive approach was taken.

### **Data Collection**

To develop an understanding of this area and to conceptualise the research problem, exploratory semi-structured interviews were held with owner/managers of small food retailers in suburban neighbourhoods of two cities, in the Midlands (UK). Both cities are free-standing cities, with a mix of affluent and less affluent neighbourhoods. A convenience sample of 8 respondents was interviewed; all the stores belonged to buying groups such as Spar and Costcutter, and were situated in the suburbs of the two cities. Grounded methodology was used to analyse the interview data, utilising open coding to break the data into conceptual units (Strauss and Corbin, 2008). The interviews were recorded to facilitate the collection of the data.

### **Findings**

Respondents were first asked to define their business, with most of them defining their shops as local convenience stores, 'it's here for the locals'. Another respondent said, 'We are a convenience store. We're not a big retailer or a supermarket, or a minimarket....we provide a service to the community'. When asked to define their local neighbourhood, most respondents were able to give a clear description of the boundaries of their respective neighbourhoods. They also had a clear idea of who their regular customers were, with most referring to their local customers as coming from surrounding housing estates, 'with the odd passing trade, which a bonus.' When asked to give reasons why the regular customers supported their shop, respondents frequently mentioned 'friendly contact', 'taking time to get to know our customers', and 'friendlier service' (than the larger supermarkets, often nearby). In addition to the owners/managers working in their convenience stores, most employed local staff, who lived nearby and knew most of the customers anyway, which enhanced the friendly atmosphere. When asked about social exchanges taking place amongst customers, most respondents stated that a lot of their customers chat to one another in-store, 'yes, our customers do chat and form little groups in the gangways...chatting,' 'they chat to one another in the queue for the post office counter.' Respondents saw their stores as a focal point for the neighbourhood; one said 'if you took this store away, a lot of customers would struggle, particularly elderly customers.' Most tried to enhance their role as a focal point by having notice boards, in-store, with local announcements about community meetings, local school events etc. A few respondents also mentioned sponsorship of local school fetes or sports days.

### **Implications of this study:**

As the large multiple retailers continue to aggressively expand, convenience stores have to find a competitive advantage in order to survive. By offering a friendly environment, suited to social exchange amongst their customers, could be one major advantage that they offer over the 'faceless' large corporate retailers.

If the UK government is concerned about the survival of small retailers and their role in maintaining the health of local communities, then public sector planning policies should recognise this and protect this provision, in suburban areas.

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# The Role of Small Convenience Stores in Building Neighbourhood Community

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# Introduction

- Big debate in sociological/urban studies literature: cohesion amongst residents is key to healthy societies & communities
- Draws on Robert Putnam's work in USA
- Cornerstone of UK government policy in last 13 years
- Current government also committed to the value of community



# Benefits of Maintaining Community

- ‘Socially connected people live longer’ (Putnam, 2000)
  - Sense of community is vital to human functioning (Sarason, 1974)
- Community attachment associated with mental health (O’Brien et al, 1994)
- Crime rate in neighbourhoods goes down when neighbours know one another (Putnam & Feldstein, 2003)

# How can small convenience stores help?

- Independent small shops provide a sense of location..and have often been identified with 'ways of life' and social and community infrastructures (Smith & Sparks, 2000)
  - Can provide social 'glue'

# Small Retailers in Decline

- From 1986-1997, the number of small independent retailers in UK declined by almost 40% (Lang & Rayner, 2001)
- Now, neighbourhood convenience stores competing with dominant operators
  - Aggressive expansion by Tesco, Sainsbury's and Co-op (Wood et al, 2006)

# Hammersmith, West London



# This study

- Builds on the small number of publications related to the social role of small convenience stores
- Seeks to extend current thinking about the role of small convenience stores in fostering a sense of community in urban & suburban areas in UK

# Theoretical Framework

- Definitions
  - Independent small shops: retail establishment of any organisation, but tends to be independently owned
- Sales of £175K pa & less than 10 FTE employees (Smith & Sparks, 2000)

# Definitions

- Social cohesion & social interaction
- Belongingness or 'connectedness' key ingredients for healthy communities (Putnam, 2000)
- Neighbourhood: concept of 'place' or 'locality' (Whitehead, 2003)
- Convenience stores vs independent retailers

# Previous research

- The economic and managerial challenges facing independent retailers in Scotland (Smith & Sparks, 2000)
- Retail change & social exclusion (Williams & Hubbard, 2001)
- Effects of small retailers' decline in inner city areas (Guy & Duckett, 2003)
- Bennison & Hines (2003) local shopping as the 'Cinderella' of retail studies



# Theoretical Framework

- Role of community pharmacies within their local neighbourhoods (Pioch & Schimdt, 2004)
- Role of independent retailers in rural areas as hub of social exchange (Paddison & Calderwood, 2007)
- Ability of small retailers to provide a social shopping experience (Baron et al, 2001)

# Typical Rural Convenience Stores



# Emerging Research Objectives

- To investigate whether the owner/managers of small convenience stores in urban areas are aware of social exchange in their shops
- To find out whether they believe it is important, & whether they can benefit from it

# Methodology

- Exploratory, qualitative study
- To understand the research problem, exploratory interviews with owner/managers of small convenience stores in urban/suburban areas

# Data Collection

- Convenience sample of 8 interviews (5 to date) in suburban areas of 2 cities in the Midlands (UK)
- Topic areas based on Smith & Sparks' (2000) research & key issues from literature
- Grounded methodology will be used to analyse the interview data (Strauss & Corbin, 2008)

# Preliminary findings: nature of business

- ✓ Local convenience store
- ✓ *'Friendly... local convenience store...definitely friendly'*
- ✓ *'its here for the locals'*

# Preliminary findings: definition of local neighbourhood

- ✓ Most respondents were able to give a clear geographical definition
- ✓ *'All round here, the local estates at the back...the odd passing trade which is a bonus'*
- ✓ *'Locals, and people passing through from the A45'*

# Main competitors & what makes you different?

- All respondents quoted the major multiples, *'just down on the main road'*
  - ✓ *'Better customer service'*
  - ✓ *'Friendlier service'*



# Employ local staff

- All respondents worked in the shop themselves, supported by local staff
- Knowledge of regular customers is good
  - ✓ *‘everyone knows one another...its a nice neighbourhood’*
  - ✓ *‘I’ve only been here since April, but I’ve got to know the locals well’*

# Social exchange in your shop

- ✓ *‘Our customers-they do like a chat’*
- ✓ *‘Customers come in here & have a chat...everyone knows what’s going on’*
- ✓ (Older customers/single parents: only trip of the day)

# Focal point for local neighbourhood

- *‘Yes I think we’re a focal point, as we’ve got the post office as well’*
- *‘I think that this row of shops is a focal point’..we have a lot of elderly customers who visit the chemist next door’*

# Limitations

- Small sample
- Busy environments
  - Takes ages!
- Interviews with owner/manger or store staff?

# Implications

- Aggressive expansion of large retailers
  - Competitive advantage
  - UK government policy